



August 14, 2009

This edition of the COD Processing Update will remain on the [COD Web site](#) until a new edition is posted. We will notify schools via a COD Web Message when a new edition has been posted.

Direct Loan Program

COD News

COD System Maintenance Planned For Sunday, August 16, 2009 (08/12/09)

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COD Web Site and System

- Users will not be able to submit or retrieve data via the [COD Web site](#) between 1:30 A.M. and 9:00 A.M. (ET).
- Batches submitted by schools via the SAIG between 1:30 A.M. and 3:00 A.M. (ET) will be held and not acknowledged back to schools until after the SAIG comes back up at 11:00 A.M. (ET).
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Direct Loan Electronic Master Promissory Note Web Site

- An individual will not be able to complete a new MPN electronically or retrieve an existing MPN that was completed electronically via the [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) between 1:30 A.M. and 11:00 A.M. (ET).

An individual starting the process by 12:30 A.M. (ET) will be able to complete his or her MPN before the Web site becomes unavailable. An individual attempting to access the Web site after the cutoff time will see a Web site maintenance message and will not be able to start the process or retrieve an existing MPN.

TEACH Grant Web Site Outage Sunday, August 16, 2009

- An individual will not be able to complete TEACH Grant Initial and Subsequent Counseling, complete a new TEACH Grant Agreement to Serve (ATS), or retrieve an existing ATS via the [TEACH Grant Web site](#) between 1:30 A.M. and 11:00 A.M. (ET).



An individual starting the process by 12:30 A.M. (ET) will be able to complete his or her TEACH Grant Initial and Subsequent Counseling or ATS before the Web site becomes unavailable. An individual attempting to access the Web site after the cutoff time will see a Web site maintenance message and will not be able to start the TEACH Grant Initial and Subsequent Counseling session, complete a new ATS, or retrieve an existing ATS.

Contact Information

Federal Student Aid apologizes for any inconvenience these outages may cause. If you have any questions about the COD System, the Direct Loan Electronic MPN Web site, or the TEACH Grant Web site, contact the COD School Relations Center. If you have any questions about the SAIG, contact CPS/SAIG Technical Support at 800/330-5947 or by e-mail at CPSSAIG@ed.gov.

Additional System Functionality For 2009-2010 Award Year Implemented (08/10/09)

Federal Student Aid is pleased to announce the implementation of additional COD System functionality during the period August 7-8, 2009. The new functionality changes how the COD System processes and sends disclosure statements and Plain Language Disclosures for William D. Ford Federal Direct Loan (Direct Loan) Program loans. Federal Student Aid implemented all of the system changes described [in a July 31, 2009 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

Thank you for your understanding and patience while Federal Student Aid completed this important activity. If you have any questions about the system changes, contact the COD School Relations Center.

Revised Master Promissory Note for Direct Subsidized Loans and Direct Unsubsidized Loans (08/10/09)

An Electronic Announcement was released to schools from the COD School Relations Center on August 7, 2009 and is posted on the [IFAP Web site](#). This announcement announces the availability of a revised Federal Direct Subsidized Loan and Direct Unsubsidized Loan Master Promissory Note (Direct Subsidized/Unsubsidized Loan MPN).

If you would like to be added to or removed from the Direct Loan Electronic Announcement distribution list, please submit an e-mail to CODSupport@acs-inc.com with the subject line of "DL Electronic Announcement Distribution".

Revised Master Promissory Note for Direct PLUS Loans (08/10/09)

An Electronic Announcement was released to schools from the COD School Relations Center on August 7, 2009 and is posted on the [IFAP Web site](#). This announcement announces the availability of a revised Federal Direct PLUS Loan Application and Master Promissory Note (Direct PLUS Loan MPN).

If you would like to be added to or removed from the Direct Loan Electronic Announcement distribution list, please submit an e-mail to CODSupport@acs-inc.com with the subject line of "DL Electronic Announcement Distribution".

Reminder of Origination Fee Reduction for Direct Subsidized Loans and Direct Unsubsidized Loans (07/22/09)

As explained in a [February 6, 2009 Electronic Announcement](#) posted on the Information for Financial Aid Professionals (IFAP) Web site, the origination fee for Direct Subsidized Loans and Direct Unsubsidized Loans was reduced for 2009-2010. This announcement provides operational guidance for schools and third party software providers on implementing these latest reductions in the origination fee.

Last year, many Direct Subsidized Loan and Direct Unsubsidized Loan awards rejected because the correct origination fee was not included with the award and/or was not used to calculate the award and its disbursements. For this reason, we want to remind schools of the previously provided guidance that is critical to successfully implementing the origination fee reduction for Direct Subsidized Loan and Direct Unsubsidized Loan awards.

Schools should refer to [the February 6, 2009 Electronic Announcement](#) for complete information about the origination fee reduction.

If your school needs assistance with COD System processing, including making changes to origination fees, contact the COD School Relations Center.

Current Issue **NEW!****Electronic Disclosure Statement PDF File Issue Experienced by Some Borrowers (08/14/2009)**

As explained in a [July 31, 2009 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#), on August 8, 2009, Federal Student Aid implemented COD System functionality that makes disclosure statements for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans available in an electronic format via the [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#). As a general rule, a borrower who has a valid MPN on file *and* a valid e-mail address on file will receive an electronic notice about a disclosure statement unless he or she opts out of receiving correspondence via e-mail. The notice informs the borrower that a disclosure statement is available on the [Direct Loan Electronic MPN Web site](#) and may be retrieved, viewed, and printed.

Federal Student Aid has identified an issue that is impacting the ability of a very limited number of borrowers to retrieve, view, and print their electronic disclosure statements. When these borrowers attempt to open the PDF file, they receive an error message indicating that the PDF file is corrupted. Federal Student Aid has determined the cause of this issue and is expediting its correction. Full resolution is expected by Saturday, August 15, 2009.

Federal Student Aid apologizes for the inconvenience this issue may cause borrowers and schools. Please monitor the “COD Processing Update” and the COD Web site for status information.



Weekly Reminders

NEW!

Sending Addresses for U.S. Territories on the Common Record or the COD Web site (08/14/09)

When submitting student or borrower addresses to the Common Origination and Disbursement (COD) System, it is important that the correct tags are used, particularly when the student or borrower address is located in a U.S. Territory. These addresses are considered domestic addresses and should not be submitted as a foreign address with a Country Code. If these addresses are not submitted correctly, important correspondence from the COD System and the Direct Loan Servicing Center is delayed or not received.

When a student or borrower address is located in a U.S. Territory, the address should be treated as a domestic address and submitted to the COD System as follows:

Submitting Addresses for U.S. Territories via the Common Record

When creating or updating a person record via the Common Record batch submission, a school should send the address block with the following tags:

Schema Version	Included Tags for Domestic Address, including U.S. Territories	Excluded Tags for Domestic Address, including U.S. Territories
3.0b *Required for 2009-2010 Award Year and forward	<AddressLine> <City> <StateProvinceCode> <PostalCode>	<StateProvince> <CountryCode>
2.0e	<AddressForeignIndicator>false </AddressForeignIndicator> (optional) <AddressLine> <AddressCity> <AddressStateProvinceCode> <AddressPostalCode>	<AddressForeignIndicator>true </AddressForeignIndicator> <AddressCountryCode>

Submitting Addresses for U.S. Territories via the COD Web site

When creating or updating a person record on the COD Web site, a school should select the U.S. Territory from the dropdown box in the State/Province field. A school should select the Country field as "Blank".

A complete list of State Codes (including U.S. Territories) is provided in Volume VI, Section 4 of the [2009-2010 COD Technical Reference](#). If you have questions about this information, contact the COD School Relations Center.



NEW!

COD Computer-Based Training (08/14/09)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT). The COD CBT includes enhancements that have been made to the COD System, the [COD Web site](#), and associated Web sites and software products through June 28, 2008.

The COD CBT consists of component simulations and CBTs. Each COD CBT component is explained below. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the “Tools for Schools” section on the home page, click on [COD Computer-Based Training](#).

The components of the COD CBT are as follows:

COD System Simulations – The COD System Simulations offer lessons that explain the [COD Web site](#) screens and functionality available to a school administrator. There are 14 lessons (one with two parts) with text to guide a user through each area of the [COD Web site](#). By entering fictitious data, the user can explore basic navigation and functions of the [COD Web site](#) and practice locating and creating information in a safe environment that includes tips for assistance.

Direct Loan Reports CBT – The Direct Loan Reports CBT includes three lessons that explain the COD reports a school can use to assist with the reconciliation process for William D. Ford Federal Direct Loan (Direct Loan) awards.

Grant Reports CBT – The Grant Reports CBT includes three lessons that explain the COD reports a school can use to assist with the reconciliation process for Federal Pell Grant (Pell Grant), Academic Competitiveness Grant (ACG), and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) awards.

Direct Loan (DL) Tools Simulation – The DL Tools Simulation demonstrates how to use the DL Tools software to assist with the reconciliation process for Direct Loan awards. Although the simulation can be used both by schools that use the EDEExpress for Windows software and schools that do not use this software, the simulation is especially useful for schools that do not use the EDEExpress software on a regular basis but are interested in a Direct Loan reconciliation resource.

eMPN Online Simulations – The eMPN Online Simulations offer a step-by-step walk through of the process for completing a Direct Loan Master Promissory Note (MPN) via the [Direct Loan Electronic MPN Web site](#). There are three lessons with text to guide a user through student and parent aspects of the eMPN process.

Completing an Agreement to Serve (ATS) Website Simulation – The Completing an ATS Website Simulation provides a step-by-step walk through of the process for completing a Teacher Education Assistance for College and Higher Education (TEACH) Grant ATS via the [TEACH Grant ATS Web site](#).



If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include “COD CBT Question/Comment” in the subject line



Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

COD News

Second 2008-2009 Verification Status Code “W” Warning Message (08/12/09)

On August 11, 2009, Federal Student Aid began processing a text message (PGTX09OP) as well as a Reconciliation Report (PGRC09OP) to schools that have one or more 2008-2009 student records still reported with a verification status code of “W”. The message is a warning that disbursements to all students with a verification status code of “W” will be considered overawards and reduced to a zero dollar amount (\$0.00), even though the disbursements were previously accepted in the COD System. The reduction of the affected disbursements is scheduled to occur on August 19, 2009.

A school that receives the warning message should review the accompanying Reconciliation Report and submit appropriate changes to the verification status codes for affected students before August 19, 2009.

Notes:

- For the conditions under which each verification status code should be used, refer to [the September 28, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#)
- A school does not need to submit a verification status code and should leave the field blank (nil = “True”) if the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled.

Note Regarding Verification Deadline:

Some of the student records included in the Reconciliation Report may be for students who are still within the allowable timeframe for submitting verification documentation/completing the verification process as specified in the “Notice of Deadline Dates for Receipt of Applications, Reports, and Other Records for the 2008-2009 Award Year” published in the Federal Register on June 18, 2009 and subsequently posted on the [Information for Financial Aid Professionals \(IFAP\) Web site](#).

Following the August 19, 2009 reduction, if a school needs additional time to complete verification for an individual student in accordance with the allowable timeframe in the Federal Register notice, the school may resubmit a disbursement record with a value greater than zero (\$0.00) until September 30, 2009. After September 30, 2009, the COD System will no longer accept “W” as a valid verification status code for 2008-2009 Pell Grant awards.

If you have any questions about the warning message or about reporting verification status codes to the COD System, contact the COD School Relations Center.



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2.0e	<AddressForeignIndicator>>false </AddressForeignIndicator> (optional) <AddressLine>	<AddressForeignIndicator>true </AddressForeignIndicator> <AddressCountryCode>



	<AddressCity> <AddressStateProvinceCode> <AddressPostalCode>	
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If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include “COD CBT Question/Comment” in the subject line.



TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (08/14/09)

The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, authorized the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program beginning with the 2008-2009 Award Year.

For TEACH Grant policy and operational guidance refer to the following postings on the [Information for Financial Aid Professionals \(IFAP\) Web site](#):

- [Final Rule published on June 23, 2008 \(73 FR 35472\)](#) in the [Federal Register](#) provides the final regulations effective July 1, 2008 for the 2008-2009 Award Year.
- [Dear Colleague Letter GEN-08-01](#) provides policy information on all of the provisions of the CCRAA, including the TEACH Grant Program.
- [Dear Colleague Letter GEN-08-07](#) provides information on institutional eligibility for the TEACH Grant Program.
- [June 19, 2008 Electronic Announcement](#) provides information on Federal Student Aid’s operational implementation of TEACH Grant Program functionality.
- [June 27, 2008 Electronic Announcement](#) provides information on the student aspects of the TEACH Grant Program that will be operational for July 1, 2008. This communication includes a “TEACH Grant Agreement to Serve (ATS) Web Site User Guide” designed to assist a student in completing his or her first electronic ATS.
- [September 3, 2008 Electronic Announcement](#) that provides information on Federal Student Aid’s implementation of system functionality that supports TEACH Grant reporting functions.
- [2008-2009 COD Technical Reference](#) and [2009-2010 COD Technical Reference](#) provides technical information related to the processing of TEACH Grant awards.

Note: On an ongoing basis, Federal Student Aid posts updated listings of schools that are eligible to participate in the TEACH Grant Program. These listings are posted as Electronic Announcements.



TEACH Grant – Institutional Participation Request Process Information (08/14/09)

On June 3, 2008, the Department of Education posted [Dear Colleague Letter GEN-08-07 on the Information for Financial Aid Professionals \(IFAP\) Web site](#). This Dear Colleague Letter clarifies how an institution will establish eligibility to participate in the TEACH Grant Program.

For complete information about the Institutional Participation Request Process, refer to [Dear Colleague Letter GEN-08-07](#).

- Questions about the issues discussed in the letter should be directed to Gail McLarnon by e-mail at gail.mclarnon@ed.gov or by phone at 202/219-7048.
- Questions about the participation request process should be directed to the School Participation Team for a school's state. Contact information is available on the [Electronic Application for Approval to Participate in Federal Student Financial Aid Programs \(E-App\) Web site](#).

Participation Request Process Steps – As outlined in the 10-step participation request process included in [Dear Colleague Letter GEN-08-07](#), a school must complete Question 1, enter specified language in Section K/Question 69, and complete Section L via the [E-App Web site](#). After completing these steps, the school must mail its signed and dated signature page to the Department of Education (the Department) per the instructions provided on the “Submit Application” page. To aid in expediting receipt of the school's signature page by the Department, the school may want to use an overnight delivery method.

Participation Request Process Follow Up – If a school does not receive a response regarding its request to participate in the TEACH Grant Program within two weeks of submitting the request, the school should contact the School Participation Team for the school's state. Contact information is available on the [E-App Web site](#).

School Addition to ATS Web Site – Once a school is determined to be eligible to participate in the TEACH Grant Program, the school's name will be added to the TEACH Grant Agreement to Serve (ATS) Web site. As a general rule, Federal Student Aid will update the TEACH Grant ATS Web site on the Tuesday or Thursday most closely following notification of the school's eligibility. If a school has questions about the TEACH Grant ATS Web site, it should contact the COD School Relations Center.